

DEPARTMENT OF HEALTH SERVICES

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February 16, 1998



TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons

Letter No.: 98-08

NEW FORM - "PERIOD OF INELIGIBILITY FOR NURSING FACILITY LEVEL OF CARE"
(MC 176 PI - 9/97)

Ref.: All County Welfare Directors Letters (ACWDL) No. 90-01 and 97-05

The purpose of this letter is to inform counties that there is a new form for calculating a period of ineligibility for nursing facility level of care. A copy has been enclosed for your convenience. Counties shall use this form when there has been a disqualifying transfer of property anytime

- during or after the 30 months preceding the date of entry into nursing facility level of care for a Medi-Cal recipient or
- during or after the 30 months preceding the date of application as an institutionalized individual

in accordance with the ACWDLs referenced above.

The new MC 176 PI has been clarified to include information on transfers which are not disqualifying. It also incorporates a step-by-step process of elimination to shorten the process when potentially disqualifying transfers do not result in period of ineligibility actually being imposed.

The MC 176 PI is available for counties to order from the warehouse. Counties shall destroy any remaining copies of the old MC 176 PI when the new forms are received.

If you have any questions on this issue, please call Sharyl Shanen-Raya of my staff at (916) 657-2942.

Sincerely,

ORIGINAL SIGNED BY

Glenda Arellano
Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure

PERIOD OF INELIGIBILITY FOR NURSING FACILITY LEVEL-OF-CARE WORK SHEET

For use only when transfers made by an institutional individual
occurred on or after January 1, 1990

Case name: _____

Case number: _____

Eligibility Worker number: _____

Date: _____

REMINDER:

- Do not calculate a period of ineligibility if the month of transfer was more than 30 months from the date for which nursing facility level-of-care under Medi-Cal is being requested.
- The period of INELIGIBILITY can be reduced whenever the institutionalized individual receives additional compensation for the property transferred.
- The period of INELIGIBILITY terminates if the property is transferred back to the institutionalized individual.
- Payments from state-certified Long-Term Care policies are to be deducted from the total net nonexempt property.

A. WAS THE PROPERTY TRANSFERRED EXEMPT OR EXCEPTED FROM INCLUSION IN THE PROPERTY RESERVE AT THE TIME OF TRANSFER?

If yes, STOP. No period of ineligibility exists. If NO, continue to B.

☐ Yes ☐ No

B. DETERMINE THE UNCOMPENSATED VALUE OF THE PROPERTY TRANSFERRED.

1. Net market value of nonexempt property transferred
2. Amount of compensation received in excess of encumbrances and closing costs
3. Uncompensated value (line 1 minus line 2)

C. WAS THE UNCOMPENSATED VALUE OF THE PROPERTY TRANSFERRED LESS THAN THE AVERAGE PRIVATE PAY RATE (APPR)?

1. Uncompensated value (B.3.)
2. APPR
3. Total (line 1 minus line 2)

If yes, STOP. No period of ineligibility exists. If NO, continue to D.

☐ Yes ☐ No

D. IS THERE A POTENTIAL PERIOD OF INELIGIBILITY? (Skip D and continue to E if individual was a Medi-Cal Long-Term Care beneficiary at time of the transfer.)

1. Uncompensated value (B.3.) divided by APPR
(round down to nearest whole number)
2. Number of months including the month of transfer up to and excluding the
month of application
3. Total (line 1 minus line 2)

*If D.3. is equal to or less than zero, check NO and STOP. No period of ineligibility exists.
If D.3. is greater than zero, check YES and continue to E.*

☐ Yes ☐ No

E. WAS THE INSTITUTIONALIZED INDIVIDUAL WITHIN THE PROPERTY LIMITS AT THE TIME OF TRANSFER?

1. Amount of other net nonexempt property available to the institutionalized individual
at the time of transfer. Note: If an applicant is an institutionalized spouse with a
community spouse, include the net nonexempt property available to the
community spouse
2. Uncompensated value of property transferred (line B.3.)
3. Total net nonexempt property (add lines 1 and 2)
4. Enter \$2,000. (If the applicant is an institutionalized spouse with a community
spouse, include the Community Spouse Resource Allowance (CSRA) in effect
at the time of application in addition to the \$2,000.)
5. Uncompensated value which would have resulted in excess property, transferred to
establish eligibility (line 3 minus line 4). If greater than amount in line 2, enter amount
in line 2.

If amount is \$0 or less, check YES. STOP. No Period of ineligibility exists.

If amount is greater than zero, check NO. Continue to Section F.

☐ Yes ☐ No

F. PERIOD OF INELIGIBILITY FOR NURSING FACILITY LEVEL-OF-CARE.

1. Uncompensated value of transferred property that would have resulted in excess property (line E.5.).....
2. APPR.....
3. Number of months in the period (line 1 divided by line 2, round down to nearest whole number).....
If less than one, STOP. No period of ineligibility exists.
4. **Applicants:** Number of months including month of transfer and up to and excluding month of application (line D.2.).....
Beneficiaries: Number of months including month of transfer up to and excluding current month.....
5. Months of ineligibility remaining (line 3 minus line 4).....
6. If the number of months remaining in line 5 is greater than zero, the **PERIOD OF INELIGIBILITY WILL EXPIRE ON**.....
(Begin with the month of application, or the current month if the person is a beneficiary.)

i. BENEFICIARIES ONLY: DID THE PERSON RECEIVE MEDI-CAL FOR NURSING FACILITY LEVEL-OF-CARE IN A MONTH THROUGHOUT WHICH A PERIOD OF INELIGIBILITY SHOULD HAVE EXISTED?

☐ Yes ☐ No

If yes, there is an overpayment for nursing facility level-of-care only. A referral is required.

OTE: Prior to sending a Notice of Action imposing a period of ineligibility for nursing facility level-of-care:

- Evaluate for undue hardship.
- If undue hardship **does not** exist, forward case information to DHS Medi-Cal Eligibility Branch Property Analyst for review.